

least 35 copies of an outline of the issues to be addressed or a copy of the presentation itself.

#### **Providing Oral or Written Comments at SAB Meetings**

The Science Advisory Board expects that public statements presented at its meetings will not be repetitive of previously stated oral or written statements. In general, each individual or group making an oral presentation will be limited to a total time of five minutes. For conference call meetings, opportunities for oral comment are limited to no more than five minutes per speaker and no more than fifteen minutes total. Written comments of any length (at least 35 copies) received in the SAB Staff Office sufficiently prior to a meeting date, may be mailed to the relevant SAB committee or subcommittee prior to its meeting; comments received too close to the meeting date will normally be provided to the committee or subcommittee up until the time of its meeting, unless other publicly announced arrangements have been made.

Dated: July 12, 1995.

**Donald G. Barnes,**

*Staff Director, Science Advisory Board.*

[FR Doc. 95-17898 Filed 7-19-95; 8:45 am]

BILLING CODE 6560-50-P

[FRL-5261-3]

#### **Massachusetts Marine Sanitation Device Standard; Notice of Determination**

On June 9, 1995, notice was published that the State of Massachusetts had petitioned the Regional Administrator, Environmental Protection Agency, to determine that adequate facilities for the safe and sanitary removal and treatment of sewage from all vessels are reasonably available for all the coastal waters of Wellfleet Harbor, in the Town of Wellfleet, County of Barnstable, State of Massachusetts. The petition was filed pursuant to Section 312(f)(3) of Public Law 92-500, as amended by Public Laws 95-217 and 100-4, for the purpose of declaring these waters a "No Discharge Area."

Section 312(f)(3) states: After the effective date of the initial standards and regulations promulgated under this section, if any State determines that the protection and enhancement of the quality of some or all of the waters within such States require greater environmental protection, such State may completely prohibit the discharge from all vessels of any sewage, whether treated or not, into such waters, except

that no such prohibition shall apply until the Administrator determines that adequate facilities for the safe and sanitary removal and treatment of sewage from all vessels are reasonably available for such water to which such prohibition would apply.

The information submitted to me by the State of Massachusetts certified that there are three disposal facilities available to service vessels in Wellfleet Harbor. The facilities will be operated by the Town of Wellfleet through the Office of the Harbormaster. These facilities are available between the hours of 6:00 am and 8:00 pm, seven days a week, from mid-May to mid-November. Outside of these hours appointments can be made by calling the Harbormaster's office at (508) 349-0320 or by radio on Channel 9. There is no fee for pump-out services.

Two of the disposal services are rolling pump-out facilities located on the town dock. Each pump is capable of evacuating and discharging to head differences of 15 feet. One rolling facility has a capacity of 25 gallons and the other has a capacity of 40 gallons. The third pump-out facility is a 22-foot pump-out boat with a holding capacity of 300 gallons. In addition, there is a wash down facility, directly connected to the 3,500 gallon tight tank storage facility, and located on the Town dock that will be used for emptying of portable toilet devices.

All sanitary wastes removed from boats are transferred to a 3500 gallon tight tank storage facility located near the Harbormaster's office. These tanks are fitted with alarms that activate in time to ensure waste removal long before the capacity is reached. The Town of Wellfleet has an annual agreement with a septage pumper to service the holding tanks at the town marina. The septage is transported to the Tri-Town Septage Treatment Facility in Orleans, and occasionally, to the Upper Blackstone Septage Treatment Facility. Trucks used by the septage pumpers are inspected annually by the town to ensure tightness.

There are an estimated 640 boats that use the harbor per season. The harbor has 200 slips, 250 moorings in the primary mooring basin, 12 transient moorings, and approximately 100 moorings in scattered satellite areas throughout the harbor. At present these moorings and slips accommodate the seasonal boat traffic.

Therefore, based on an examination of the petition and its supporting information, which included a site visit by EPA New England staff, I have determined that adequate facilities for the safe and sanitary removal and

treatment of sewage from all vessels are reasonably available and that areas covered under this determination include all the waters and tributaries of Wellfleet Harbor enclosed by a line drawn between Jeremy Point (latitude 41° 52' 40" Longitude 70° 04' 00") eastward to the Wellfleet-Eastham town line at the mouth of Hatches Creek. This determination is made pursuant to Section 312(f)(3) of Public Law 92-500, as amended by Public Laws 95-217 and 100-4.

Dated: July 12, 1995.

**John P. DeVillars,**

*Regional Administrator.*

[FR Doc. 95-17882 Filed 7-19-95; 8:45 am]

BILLING CODE 6560-50-P

#### **FARM CREDIT ADMINISTRATION**

[NV 95-40]

#### **Farm Credit System Building Association Management Operations Policies and Practices**

**AGENCY:** Farm Credit Administration.

**ACTION:** Policy statement.

**SUMMARY:** On July 7, 1995, the Farm Credit Administration (FCA), by its Board (Board), adopted a policy statement concerning general parameters and policies for the operational practices of the Farm Credit System Building Association (FCSBA) which are supplementary to the FCSBA Bylaws. The FCSBA was established to provide the facilities and related services for the FCA and its regional offices. The FCSBA is owned by the banks of the Farm Credit System (Banks) and is funded by assessments, commercial tenants, and other income. The FCSBA owns and operates the FCA McLean, Virginia headquarters and holds the leases and provides certain services and furnishings for FCA field offices. The FCA Board has sole discretionary authority under section 5.16 of the Farm Credit Act of 1971, as amended, to approve the plans and decisions for such building and facilities. In order to carry out this authority and to preserve the FCA's arm's-length relationship with the Banks, the Articles of Association and Bylaws of the FCSBA grant the FCA Board the responsibility to oversee the affairs of the FCSBA. The Chairman of the FCA Board shall be responsible for coordinating the FCA Board's involvement in and responsibilities for the operation of the FCSBA. The FCSBA President reports to the FCA Board and is generally responsible within the context of governing policies for all

activities, necessary to manage FCSBA support to the FCA, manage the assets of the FCSBA, understand and consider the interests of the Banks. Specific responsibilities include budget preparation and execution, planning, financial reporting and control, preparation of quarterly cashflow projections, supervision of inventory and supporting schedules for all fixed assets.

**EFFECTIVE DATE:** July 7, 1995.

**FOR FURTHER INFORMATION CONTACT:**

Floyd Fithian, Secretary to the Farm Credit Administration Board, Farm Credit Administration, McLean, Virginia 22102-5090, (703) 883-4000, TDD (703) 883-4444.

**SUPPLEMENTARY INFORMATION:** The text of the Board's policy statement on the Farm Credit System Building Association Management Operations Policies and Procedures is set forth below in its entirety:

**FCA Board Action on FCS Building Association Management Operations Policies and Practices**

NV 95-40

FCA-PS-68

*Effective Date:* July 7, 1995.

*Effect on Previous Action:* Supersedes Policy Statement NV 93-43.

*Source of Authority:* Farm Credit Act of 1971, as amended (Act) and the FCS Building Association (FCSBA) Articles of Association and Bylaws.

The FCA Board hereby adopts the following statement of policy:

The FCSBA was established to provide the facilities and related services for the Farm Credit Administration (FCA) and its regional offices. The FCSBA is owned by the banks of the Farm Credit System (Banks) and is funded by assessments, commercial tenant, and other income. The original ownership interest of each bank was based on the bank's assets as a percentage of total Farm Credit System (FCS) assets on June 30, 1981. The FCSBA owns and operates the FCA McLean, Virginia headquarters and holds the leases and provides certain services and furnishings for FCA field offices. The FCA Board has sole discretionary authority under section 5.16 of the Act to approve the plans and decisions for such building and facilities. In order to carry out this authority and to preserve the FCA's arms-length relationship with the Banks, the Articles of Association and Bylaws of the FCSBA grant the FCA Board the responsibility to oversee the affairs of the FCSBA.

The purpose of this policy statement is to outline general parameters and

policies for various operational practices of the FCSBA which are supplementary to the FCSBA Bylaws.

**A. FCA Board Responsibilities**

*Board Responsibilities.* As outlined further in this policy statement, the FCA Board is responsible for items including, but not limited to, approval of all budgets and subsequent changes in object class limitations, signature authorities for financial expenditures, and long term investment decisions. The FCA Board concurs in the development of performance standards, goals and pay scales for the FCSBA President as provided by the FCA Chairman. Additionally, the FCA Board approves certain contracts for services depending upon the purpose and cost.

*Chairman's Responsibilities.* The Chairman of the FCA Board shall be responsible for coordinating the FCA Board's involvement in and responsibilities for the operation of the FCSBA, including developing performance standards and pay scales for the President of the FCSBA and appraising the President's performance with the concurrence of other FCA Board Members, reviewing periodic financial and operating reports, providing procedures as necessary concerning for the FCA staff's relationship with the FCSBA, and reviewing such other matters as the Chairman may deem advisable for the purpose of bringing such matters to the attention of the FCA Board. The Chairman may delegate these responsibilities to one or more FCA staff as he or she deems advisable, except those responsibilities related to pay and performance.

**B. FCSBA President**

*General Signature Authority.* As required by Article V, Section 2 of the FCSBA Bylaws, in addition to member certificates, the FCA Board authorizes the President to sign general correspondence and contracts deemed necessary for the administration of Association activities. Check signing and countersigning authorizations are outlined in separate FCA Board Actions.

*Duties.* The FCSBA President reports to the FCA Board and is generally responsible within the context of governing policies for all activities, necessary to manage FCSBA support to FCA, manage the assets of the FCSBA, understand and consider the interests of the Banks. Specific responsibilities include budget preparation and execution; planning; financial reporting and control; preparation of quarterly cash flow projections; supervision of inventory and supporting schedules for

all fixed assets (furniture fixtures and equipment); maintenance of management objectives schedules; supervision of the telecommunications system; the purchase and contracting for all supplies and services; records management; necessary correspondence; public relations activities in consultation with the FCA Office of Congressional and Public Affairs; personnel supervision and evaluation; the leasing and management of all space in the Farm Credit Building; site selection and lease negotiation for all FCA Field Offices; strategic planning; investment management; preparation and administration of all policies and operating procedures; engineering oversight; construction management; and preparation of all monthly, quarterly and annual reports required by the FCA Board. The FCSBA President shall coordinate these activities with the FCA Liaison as appropriate or required.

*Standard Operating Procedures.* In addition to those duties outlined under Article V, Section 2, of the FCSBA Bylaws and this Policy Statement, the President is authorized to issue Standard Operating Procedures (SOPs), as he or she deems appropriate in an effort to carry out the mission of the FCSBA provided that each SOP is reviewed by the FCA Board in advance. The President shall maintain all SOPs in a manner that reflects current and up-to-date policies and practices. SOPs will be filed with the Secretary to the Board, the FCSBA and others as requested.

*Periodic Reports.* The President shall render such periodic reports and proposals to the FCA Board and Liaison as may be necessary to facilitate on budgets, assessments, audits, finances, plans, investments, reserve policy and accounting procedures that support the needs of the FCA Board and the Banks as owners of the FCSBA. The President shall normally report at an FCA Board meeting on a quarterly basis. At a minimum, the report shall include:

(1) A cash statement of operations, an explanation of budget variances, and a month-to-date cash reconciliation report.

(2) A summary of the status of reserve accounts and investments including documentation as available demonstrating compliance with investment policies.

(3) A comprehensive Management Objectives tracking report outlining the status of issues and projects resulting from a combination of one or more sources such as audit and examination recommendations, FCA Board directives, as well as management initiatives.

(4) Other matters such as insurance, leasing and contract performance issues which may be timely for the particular reporting period.

**Annual Report.** The President shall prepare an annual report on the operations of the FCSBA. The draft of the report shall be provided to the FCA Board for its review within approximately 30 days of receiving the final report from the independent auditors. After FCA Board review, the report shall be provided to the Banks and may be provided to others who have an interest in FCSBA affairs. Although other reports to the Banks may be warranted from time to time, the Annual Report shall serve as the primary vehicle for reporting information to the FCS. The report shall include:

- (1) A discussion of significant issues and accomplishments.
- (2) Audited financial statements and reportable conditions.
- (3) A discussion of the previous year's and current year's budget.
- (4) A discussion of Basic and Supplemental services provided to FCA by the FCSBA including an estimate of market and actual values of those services.
- (5) A discussion of non-budgeted expenditures which have been reimbursed by the FCA.

#### C. FCA Liaison

**Duties.** The FCA Director of the Office of Resources Management (or his/her designee) shall serve as the Agency's liaison with the FCSBA. The FCA Liaison facilitates and coordinates the Agency's needs with the FCSBA in such areas as office renovations, internal moves, telecommunications services, and field office support. The FCA Liaison provides an internal control function through the countersigning of certain categories of checks as designated by the FCA Board. Additionally, the FCA Liaison reviews FCSBA proposals which come before the FCA Board and provides counsel regarding issues on which the FCA Board must decide or provide direction. The FCA Liaison is also responsible for assuring that FCA operations, as appropriate, comply with FCSBA policies and practices as well as FCA guidance relating to the FCSBA. Finally, the FCA Liaison shall review monthly cash reconciliation reports as provided by the FCSBA President and report irregularities as appropriate.

#### D. Annual Audit and Management Controls

**Annual Audit and Management Controls Review.** As provided by Article

IV, Section 9, of the FCSBA Bylaws, the FCSBA shall produce audited financial statements on an annual basis. A review of material internal control procedures shall be included in the audit process on a periodic basis.

#### E. Financial Management

**Budget Philosophy.** It is FCA Board policy to ensure that every effort is made to minimize operating expense without jeopardizing the Banks' investment in the assets which are managed. Approved budgets are planned and implemented in consideration of a series of policy objectives as outlined in this statement and always in an effort to balance income and expenses without a positive or negative cash flow.

**Budget Development Time Frames.** FCSBA budgets are prepared on a calendar year basis. Each June, the FCSBA President shall provide the proposed budget for the next calendar year to the FCA Board for its review and comment. With FCA Board concurrence, the proposed budget may be made available to the Banks for further comment. On or about September 1, the FCSBA President shall provide the final budget proposal to the FCA Board for approval.

**Operating Revenues.** The FCSBA receives annual operating revenues from (1) Bank assessments, (2) office rental income from private commercial tenants, (3) other income such as fees and vending charges, (4) interest income from operating balances, and (5) reserve account transfers as necessary.

**Operating Expenses.** Operating expenses are budgeted using the appropriate object classifications as follows, which may be modified with FCA Board approval:

FCA Field Office Rent  
Taxes and Contract Services  
Maintenance and Repair  
Utilities  
Salaries and Benefits  
Professional and Consulting Fees  
Property Management Fees  
Other Expenses

As a part of the draft budget proposal to the FCA Board each June, the FCSBA President shall provide an individual expense breakdown for each item within the object class. This breakdown shall include the actual expense from the previous year, the estimated expense for the current year, and the projected expense for the proposed year.

Unanticipated and emergency expenses during the course of the year as well as expenditures beyond amounts approved for object classes may be funded out of the operating reserve subject to FCA Board approval.

Capital expenditures funded by transfers from the component reserve account are shown separately with a breakdown of individual expenditures.

**Operating Reserves.** In consideration of liquidity needs as well as unanticipated expenses, each approved budget shall include the sum equivalent to 15 percent of the annual operating expense as operating reserves.

**Component Reserve Account.** To reserve for capital replacement items and repairs to the McLean facility, the FCSBA shall maintain a component reserve account which is separate from operating funds and reserves. The funding for this account shall be initially based on the Capital Reserve Study of August 1992, which is to be "formally" updated every 3 years by an independent engineering assessment. The policy objective is to ensure adequate funding, on a net present value basis, to cover up to a ten year capital repair and replacement program to be "informally" updated, as necessary, with each approved budget.

**Assessments.** To ensure the maintenance of minimum "cash on hand," FCSBA assessments are based on Bank assets as of June 30, and issued quarterly consistent with the FCSBA Bylaws. After taking interest, rental, and other revenue into consideration, budgeted annual assessments must be sufficient to fund the operations of the FCSBA, including the ability to hold operating reserves equal to 15 percent of expenses as well as component reserves consistent with FCSBA policy.

Adjustments to assessments can occur subject to FCA Board approval when total year-end "cash and cash equivalents" exceed or are below operating and component reserve requirements. Adjustments are normally considered for third quarter assessments and are based upon the previous year's audited financial statements. Earnings, if any, are distributed through this process in lieu of direct payment.

**Investments.** The FCSBA invests its funds in an effort to achieve maximum yield consistent with liquidity needs and investment safety. Operating reserves and other operating "cash on hand" may be invested in short-term money market accounts, certificates of deposits of federally insured institutions, and short-term instruments of the U.S. Government or commercial paper rated P-1 or A-1 by Moodys and Standard and Poors respectively. Operating reserves investment decisions are made by the FCSBA President consistent with this policy.

Component reserves are invested solely in instruments issued by the U.S. Government and agencies of the U.S.

Government. The maturities and amounts of component reserve investments shall be generally consistent with the anticipated liquidity needs of the FCSBA capital replacement and repair program. Component reserve investment decisions will be approved by the FCA Board.

**Budgeting for Reimbursable Expenses.** The FCA regularly reimburses the FCSBA for telecommunications and other expenditures on a cost recovery basis. Because there is no positive or negative financial impact on the FCSBA, these transactions are handled on a "net" basis and thus not included in the budget.

**Budget Execution.** The FCSBA President shall administer the annual budget as approved by the FCA Board. Necessary expenditures during the course of the year that would exceed the object class budget require approval by the FCA Board. Exceptions to this policy are made in the event of emergency or the funding of accrued employee benefits. Expenditures in these cases will be brought to the FCA Board for approval within 30 days of occurrence. In considering its approval, the FCA Board has the option of either adjusting other object classes, utilizing the operating reserve, or taking other action as it deems appropriate.

#### F. Contract Management

**General.** In accordance with Article IV of the FCSBA Bylaws, it is the policy of the FCA Board that all contracts issued on or on behalf of the FCSBA be:

- (1) When in excess of \$15,000, competitively bid with a minimum of three bids.
- (2) When less than \$15,000, and more than \$2,500, obtained with a minimum of three price quotes.
- (3) Generally awarded to the lowest bidder meeting contract specifications except in those instances where the differences in cost are considered negligible relative to a particular benefit offered by a higher bid.
- (4) Reviewed and approved by the FCA Board when in excess of the amount of \$150,000, or for the purpose of outside auditors, property managers, or special studies that were not approved during the budget process.
- (5) Retained in file a minimum of three years.
- (6) When possible, bid in conjunction with the budget year.

**Exceptions.** Notwithstanding the above requirements, the FCA Board has the authority to make exceptions as it deems appropriate to the circumstances. Additionally, competitive bidding is not required if the circumstances warrant immediate resolution or are vendor

specific to equipment in which case the FCSBA President will provide the Board with a detailed report of the surrounding circumstances in 30 days.

**Contract Timeframes.** Recurring contracts are normally for annual terms, however, when deemed cost effective, the FCSBA may allow terms up to three years. Obtaining best and final offers from bidders is encouraged.

**Approval Authorization.** The President is authorized to approve contracts consistent with these guidelines and the FCSBA SOP. The President may redelegate up to \$50,000 of contracting authority to the building property manager.

**Contract Performance.** The President shall insure that adequate systems are in place to measure, administer, and report on the performance of FCSBA contracts.

#### G. Asset Management

**Personal Property.** The FCSBA President shall insure that adequate methodologies and systems are in place to ensure that FCSBA property is effectively accounted for on a periodic basis.

#### H. The FCSBA as a System Institution

**Examination.** The FCSBA is examined as provided by the Act. The scope of examination shall be generally consistent with the level of risk deemed associated with the operating practices of FCSBA management.

**Assessments for Examination.** The FCSBA will be charged annually for assessments consistent with FCA regulation found in 12 CFR 607.4, "Assessment of Other Institutions."

**Liquidation by System Request.** Should the Boards of the Banks determine, pursuant to Article IX of the FCSBA Articles of Association, that the FCSBA should be dissolved and liquidated, the Boards, by appropriate resolution, may request that the FCA Board appoint a receiver to dissolve and liquidate the FCSBA in accordance with the Act and the regulations promulgated thereunder.

#### I. FCSBA Services to the FCA

**Basic Services.** The FCSBA provides space to the FCA Headquarters in McLean, Virginia, and leases space on behalf of FCA for its field offices. Basic services provided to the FCA are similar to what is typical of rented office space and include, but are not limited to, such items as utilities, janitorial service, repairs for normal wear and tear, parking and appropriate landscaping as well as amenities which are available to all tenants and have the effect of maintaining property values and/or enhancing rental income.

**Supplemental Services.** In addition to providing basic services, the FCSBA will, on a case-by-case basis, provide certain supplemental support services related to FCA's housing needs under the following kinds of circumstances:

- (1) The FCSBA can provide the service on better terms than the FCA.
- (2) The service, if not provided by the FCSBA, could potentially adversely effect the aesthetic or other value of property, systems, building infrastructure, the health and safety of occupants, or the occupancy level of commercial tenants.
- (3) The capacity exists for the FCSBA to provide the service within the context of its employee expertise and/or its overall responsibilities to all tenants.
- (4) By providing the service, an advantage inures to the benefit of the FCS which would not otherwise occur.
- (5) An FCA Board determination that the service will be of particular benefit to the FCA, the FCS or the public.

As deemed necessary, the FCSBA President shall issue SOP(s) prescribing operational or other details of FCSBA services provided to the FCA.

**Non-Reimbursable and Reimbursable Services.** Whether or not the FCA will reimburse the FCSBA for a supplemental service will generally be determined as follows:

- (1) Reimbursement is not required for support provided by the FCSBA when resources are available within FCA Board approved budgets for the FCSBA and one or more of the criteria for supplemental services expenditures outlined above have been met.

- (2) Unless otherwise determined by an FCA Board action, supplemental support services requiring resources beyond that available within the FCSBA budget will require reimbursement.

Reimbursements in excess of \$10,000 which occur on an ongoing basis will require a written Memorandum of Understanding outlining the terms and conditions of the services provided and reimbursement. One time, or minor recurring reimbursements may be handled by invoice. Reimbursable expenses shall be determined on an actual cost basis or a recognized methodology to achieve the goal of making the FCSBA "whole" on the transaction.

Adopted this 7th day of July, 1995 by order of the Board.

Dated: July 13, 1995.

**Floyd Fithian,**

*Secretary, Farm Credit Administration.*

[FR Doc. 95-17781 Filed 7-19-95; 8:45 am]

BILLING CODE 6705-01-P